

**NEAL RANCH**  
**FEE TITLE ACQUISITION**  
**SOCIO-ECONOMIC ASSESSMENT**

MONTANA FISH, WILDLIFE AND PARKS

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## I. INTRODUCTION

House Bill 526, passed by the 1987 Legislature (MCA 87-1-241 and MCA 87-1-242), authorizes Montana Fish, Wildlife and Parks (FWP) to acquire an interest in land for the purpose of protecting and improving wildlife habitat. These acquisitions can be through fee title, conservation easements, or leasing. In 1989, the Montana legislature passed House Bill 720 requiring that a socioeconomic assessment be completed when wildlife habitat is acquired using FWP Habitat Montana and federal Wildlife restoration dollars. These assessments evaluate the significant social and economic impacts of the purchase on local governments, employment, schools, and impacts on local businesses.

This socioeconomic evaluation addresses the possible acquisition of land owned by the Neal Ranch through fee title. The report addresses the physical and institutional setting as well as the social and economic impacts associated with the proposed fee title acquisition, funding being provided by Habitat Montana Program.

## II. PHYSICAL AND INSTITUTIONAL SETTING

### A. Property Description

The Neal Ranch is located about 9 miles west of Augusta, MT. in Lewis and Clark County. The proposed acquisition is 3,278 acres in size. A portion of the western boundary is adjacent to the existing Sun River Wildlife Management Area while the north and east border is next to State School Trust and BLM land. A detailed description of the proposed property and maps are included in the Environmental Assessment.

### B. Habitat and Wildlife Populations

The Neal Ranch property is a combination of intermountain and plains grassland habitat with riparian habitat located along the creek bottoms and lake/ponds. This land provides habitat for a variety of wildlife including elk, deer, antelope, upland game birds, and a host of non-game species that are adapted to the native grassland habitat. A detailed description of the habitat and wildlife found on this property is included in the Environmental Assessment.

### C. Current Use

The Neal Ranch was a large scale working cattle ranch, but has more recently become much smaller in scale with more emphasis on hay production. Grazing on the property was a standard rotational system where one pasture was typically left un-grazed each year. The owners have sold the majority of their cows and currently only have a few calves on the ranch. While there are no year-round residences on the land proposed for fee title purchase, there are a number of other buildings including a garage, a small shed, an old barn, a cabin and corrals.

## D. Management Alternatives

### 1) No purchase

#### **MFWP Fee Title Purchase**

This alternative was the purchase option that both parties agreed upon. The Neal family was not interested in a conservation easement on the proposed acquisition.

#### **No Purchase Alternative**

The no purchase alternative requires some assumptions since use and management of the property will vary depending on what current or future owners decide to do if MFWP does not purchase the property. There is potential for subdivision of this land that would impact the habitat, wildlife and access opportunities for the public.

## III. SOCIAL AND ECONOMIC IMPACTS

Section II identified the management alternatives this report addresses. The fee title purchase will provide long-term protection of important wildlife habitat and consistent management of this land. Section III quantifies the social and economic consequences of this management alternative following two basic accounting stances: financial and local area impacts.

Financial impacts address the cost of the fee title acquisition to MFWP and discuss the impacts on tax revenues to local government agencies including school districts.

The financial impacts to local businesses (i.e. income and employment) are addressed by looking at the change in expenditures associated with the activities this property currently provides compared to the activities that would occur under MFWP's ownership.

### **A. Financial Impacts**

The funding for the project is from the Habitat Montana Program and amounts to approximately \$5,500,000.

The property will become part of the Sun River WMA. Depending on the need, there may be limited grazing allowed, weed control will follow the Department's weed management policy, and access will be managed under the state and regional policies for management areas. The management cost associated with this acquisition has not been estimated at this time.

The financial impacts to local governments are the potential changes in tax revenues resulting from the fee title purchase by FWP. The sale of the fee title land and subsequent title transfer to

MFWP will not change the tax revenues that Lewis and Clark County currently collects on this property. Fish, Wildlife and Parks is required by Montana Code 87-1-603 to pay “to the county a sum equal to the amount of taxes which would be payable on county assessment of the property were it taxable to a private citizen.” Current taxes on the fee title lands amount to \$3,296. Montana Fish, Wildlife & Parks will continue to pay taxes based on the assessment provided by Lewis and Clark County.

## **B. Economic Impacts**

There will not be any significant financial impacts to local businesses associated with the fee title purchase of this land. The fee title lands will be managed as part of the Sun River WMA.

The development of a parking area for public access, weed control, potential grazing agreements with adjacent landowners, and improved hunting opportunities will have a positive impact to local businesses that provide goods and services in these areas.

## **FINDINGS AND CONCLUSIONS**

The fee title acquisition of 3,278 acres of land owned by Neal Ranch in Lewis and Clark County will provide long-term protection of the wildlife habitat of this land and the adjacent Sun River WMA, maintain the rural open space integrity of the area, and protect the public recreation opportunities that these lands have provided.

The conservation easement and fee title acquisitions and title transfer to MFWP will not cause a reduction in tax revenues on this property from their current levels to Lewis and Clark County under Montana Code 97-1-603.

Overall, the financial impacts to local business will be slightly positive in terms of the management activities and recreational opportunities that will continue to be provided on these lands.